



Requirements for Organization and Licensing of an Automobile Club

Prospective applicants should file the following:

- Licensing application for an automobile club
- Affidavit for \$30,000 Surety bond for an automobile club
- Application fee of \$500 made payable to **The Treasurer of Virginia**
- Copy of the Articles of Incorporation or any other organizational documents and amendments
- Copy of the by-laws
- Copy of the most recent audited financial statement, or statements certified with signatures of two officers
- A complete summary of the plan of operation including two years of projected sales and funding methods for the applicant.
- [Biographical affidavit](#) for each officer.
- Copy of all sales/membership material provided to members and prospective members

Please see [Title 13.1-400](#) of the Code of Virginia for further information on Automobile Clubs in Virginia. All questions relating to the licensing of automobile clubs in Virginia should be directed to:

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Senior Insurance Financial Analyst
Company Licensing and
Regulatory Compliance
(804) 371-9161
(804) 371-9511 Fax
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LICENSING APPLICATION FOR AN AUTOMOBILE CLUB

An Automobile Club must be licensed by the State Corporation Commission/Bureau of Insurance in order to do business in Virginia. To make application to the Bureau of Insurance, all items below must be addressed in an orderly and thorough manner. An incomplete application may be subject to denial. All answers should be printed or typed. If additional space is required to complete any statement, prepare and annex a rider.

The application should be made consistent with Title 13.1 Chapter 3.1 of the Virginia Code.

The applications must contain original signatures along with a five hundred dollar (\$500) application fee. Checks should be made payable to the “**Treasurer of Virginia.**”

1. State the complete legal name, FEIN#, address, and telephone number of the applicant.

2. State any assumed or trade name(s) under which the applicant operates.

3. If the applicant is to be a Virginia Corporation, it must secure a Certificate of Incorporation from the Clerk’s Office, State Corporation Commission, (804) 371-9733. This may be done by filing Articles of Incorporation and the necessary fees. Information pertaining to this process may be obtained at www.state.va.us/scc.

If the applicant is not a Virginia Corporation, please indicate the state of domicile: _____. A copy of the Certification of Incorporation (including a Certificate of Authorization or Compliance) must be attached. A Virginia Certificate of Authority must be obtained prior to licensing by the Bureau of Insurance. The Certificate of Authority (application available online at www.state.va.us/scc/division/clk) may be obtained during the tentative approval stage of the application process.

4. The Bureau requires a copy of the Articles of Incorporation and/or any other basic organization document, and all amendments to them, to be submitted.
5. Submit a copy of the applicant's by-laws, rules and regulations or any similar document regulating the conduct of the applicant's internal affairs, along with any amendments as certified by the Corporate Secretary (under corporate seal where appropriate).
6. Submit copies of all literature, insurance certificates, membership cards, emblems, service contracts, etc. now being used or proposed to be used.
7. Submit a copy of the applicant's most recent audited financial statements. If the applicant does not have an audit, a copy of financial statements showing income, disbursements, assets and liabilities must be submitted. The statements must be certified with signatures of two officers.

Date of the Financial Statements: _____

8. Automobile Clubs must obtain and agree to maintain a surety bond in the sum of thirty thousand dollars (\$30,000) with a licensed carrier in Virginia as surety for the faithful performance of its contracts in the State of Virginia.

Name of surety bond carrier: _____

9. Submit a complete summary of the plan of operation including a list of all services, insurance plans, if any, and other membership privileges offered to members. (Show amount of membership fees and services offered at extra cost.)
10. List the name, address, and title of each officer and director, and submit a [Biographical affidavit](#) for each.
11. List the name and address of each stockholder who owns twenty percent or more of any class of the outstanding capital stock or the corporation and the percent, number and class of the shares of stock held in the corporation.

Name	Address	Percent	Number of Shares	Cost

12. List the address where the applicant will make available all relevant books, records, accounts, and documents.

13. What other business, if any, will be conducted on the licensed premises?

14. If the applicant has one or more district or branch offices, franchise motor clubs, subsidiaries or affiliates operating in Virginia, list the complete names and addresses of each place of business.

Name

Address

15. Has the license to engage in the business of an automobile or motor club issued by any other state to the applicant, or to any director, officer or employee of the applicant ever been suspended or revoked? _____.

If yes, please state the name of the licensee, date, and place of suspension or revocation of license and judgment for such suspension or revocation.

16. Has the license to engage in the business of an Automobile or Motor Club ever been refused by any state or political subdivision? _____. If yes, give dates and reasons.

17. Do you own and operate your own garages, towing vehicles, and the like for services to be rendered to members? _____

18. Do you contract with garages, towing companies, and the like for services to be rendered to members? If so, list by city the location where you have made such contacts.

19. If you contract with others for the performance of services, do you pay others on a per unit of services actually rendered? Attach a copy of each form of contract.

20. Do you reimburse members or persons entitled to your Automobile Club services for expenses they incurred for such services they obtained from others? If so, to what extent and under what conditions. Attach claim form(s).

21. What reserves do you maintain to cover your obligations to provide Automobile Club services for persons who have paid considerations in advance?

22. In the event of cancellation of the membership, the member will be reimbursed on _____ basis.

23. Agents of the applicant are paid _____% commission for memberships procured.

Name of corporate applicant

By _____
President

ATTEST: _____
Secretary
(Corporate Seal)

STATE OF _____
COUNTY (CITY) OF _____

On this day personally appeared before me, an officer duly authorized to administer oaths and take _____ acknowledgments, _____ and _____ known to me to be the individuals described in and who executed the foregoing instrument as the president and secretary of the above named _____, a corporation, and severally acknowledged to and before me that they executed such instrument as such president and secretary, respectively, of said corporation, and that the seal affixed to the foregoing instruments is the corporate seal of said corporation, and that it was affixed to said instrument by due and regular corporate authority, and that they read the foregoing instrument and know the contents thereof, and that the same are true and complete.

President

Secretary

Sworn to and subscribed before me on this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

VIRGINIA STATE CORPORATION COMMISSION BUREAU OF INSURANCE

Automobile Club Surety Coverage Certification

As required by the provisions of Title 13.1-400.3 of the Code of Virginia, I hereby certify that _____ (Automobile Club applying for initial licensing or renewal of license) has in full force and effect the following bond coverage with _____, in conjunction with licensure as an Automobile Club in the Commonwealth of Virginia:

- A surety bond in the amount of \$30,000 conditioned to secure the performance of its contracts, issued by an insurer authorized to do business in the Commonwealth of Virginia.

I further certify that such coverage will be maintained in full force and effect with an insurer authorized to do business in the Commonwealth of Virginia throughout the time the above-referenced organization shall do or offer to do the business of an Automobile Club in the Commonwealth of Virginia. I understand that this requirement is subject to further verification by the Bureau at its discretion, and I agree to provide satisfactory evidence of such coverage upon request.

Typed or Printed Name of Authorized Representative

Date

Signature of Authorized Representative of Automobile Club

Federal Tax ID